

PART I - SECTION G
CONTRACT ADMINISTRATION DATA

3.1-1 Clauses and Provisions Incorporated by Reference (December 2005)

This screening information request (SIR) or contract, as applicable, incorporates by reference the provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offeror's and contractors may obtain the full text via Internet at: <http://conwrite.faa.gov> (on this web page, select "Search and View Clauses").

3.10.1-22 Contracting Officer's Technical Representative (January 2008)**G.1 Identification of Contracting Officer's Technical Representative (COTR)**

Work to be performed under this contract shall be subject to the technical direction of the following FAA COTR (all information will be filled in at time of contract award):

Attn: _____(TBD)
Routing Symbol/Mail Stop: _____(TBD)
Phone: (609) 485-_____(TBD)
Fax: (609) 485-_____(TBD)
E-mail: _____(TBD)

G.2 Responsibility for Contract Administration

The Contracting Officer (CO) identified below, has the overall responsibility of this contract and resultant delivery orders. The CO is authorized to take actions on behalf of the Government to amend, modify, or deviate from the contract terms, conditions, and requirements. The CO may delegate certain other responsibilities to his/her authorized representatives or Contracting Officer's Technical Representative (COTR). The CO for this contract is:

FAA William J. Hughes Technical Center
Acquisition & Grants Group, AJA-4A2
Attention: AJA-4A2 (C. Hische)
Atlantic City International Airport, NJ 08405

A COTR shall be appointed for the contract. The COTR for the contract shall be the COTR for each delivery order issued, unless otherwise stated in a specified delivery order. The appointment(s) will be effective until the DO is completed or a written, or electronic, notice of termination is received from the CO responsible for the DO, whichever occurs first. Changes to the COTR may be made by the CO via electronic mail direction or by DO modification (changes directed by electronic mail will be confirmed in the next subsequent modification as applicable).

The COTR has the authority to monitor the technical progress of the services that are to be delivered under the DO. This includes visits to the place of performance, meetings and

telephone conversations with contractor personnel, acceptance, or rejection of the contracted items and other duties that may be authorized by the CO.

The COTR cannot authorize or order the cessation of contract work, nor delete, change, or waive any of the technical requirements or other terms and conditions of the DO. Should the contractor desire a change (monetary or otherwise) to the DO, a written request to the CO for consideration must be submitted. If appropriate, the change will be incorporated by a contract modification/revision.

Whenever a difference of opinion between the contractor and the COTR occurs, the contractor shall notify the CO immediately for resolution.

G.3 WJHTC 3.3.2-1 – Travel (February 2005)

The Contractor shall be reimbursed on a cost-plus-no-fee/profit basis for transportation costs associated with performance of the contract. Reimbursement of travel costs shall be in accordance with the Federal Travel Regulations at <http://www.gsa.gov>.

Normal commuting expenses are not allowed.

The Contractor shall only incur travel expenses when the contract/delivery order authorizes them AND prior approval is received from the COTR. All requirements for international travel that apply to federal employees shall apply to contractors under this statement of work. Blanket agreements for periods of time or individual trips may be used, depending on the circumstances.

(End of Clause)

G.4 Holiday and Government Authorized Leave

(1) For informational purposes, the Government observes holidays below:

- a. Federal holidays listed on the Office of Personnel Management (OPM) website: http://www.opm.gov/operating_status_schedules/fedhol/
- b. Any other day designated by Federal statute.
- c. Any other day designated by Executive order.
- d. Any other day designated by Presidential proclamation.
- e. Any other day designated by the Center Director.

The Government will not pay for any holiday unless actual work on such holiday has been authorized in writing by the COTR or the Contracting Officer. When so approved, the work must actually be performed on the holiday; no overtime/premium pay is applicable.

(2) When the Federal government grants excused leave to its employees, Contractor personnel may also be dismissed at the discretion of the COTR or the Contracting Officer. However, the Contractor will not be reimbursed for hours of excused absence. The Government will

reimburse the Contractor only for the actual hours worked at the normal compensation rate by its employees.

(3) It is understood and agreed between the Government and the Contractor that observance of such days by Government personnel shall not otherwise be a reason for an additional period of performance.

(4) Information about Center delayed openings or closings may be obtained by calling (609) 485-6100.

G.5 Interpretation or Modification

No oral statement of any person, and no written statement of anyone other than the Contracting Officer, or his/her authorized representative shall modify or otherwise effect the terms or meaning of the schedule or specifications. All requests for interpretation or modification shall be made in writing to the Contracting Officer.

G.6 3.3.1-28 Notice of Progress Payments (November 1997)

The need for progress payments will not be considered a handicap or adverse factor in the award of the contract. The Progress Payments clause included in this screening information request will be included in any resulting contract. Even though the clause is included in the contract, the clause shall be inoperative during any time the contractor's accounting system and controls are determined by the Government to be inadequate for segregation and accumulation of contract costs.

(End of provision)

G.7 3.3.1-31 Progress Payments (November 2000)

Progress payments shall be made to the Contractor when requested as work progresses, but not more frequently than monthly in amounts approved by the Contracting Officer, under the following conditions:

(a) Computation of amounts.

(1) Unless the Contractor requests a smaller amount, each progress payment shall be computed as:

(i) 80 percent of the Contractor's cumulative total costs under this contract, whether or not actually paid plus financing payments to subcontractors (see paragraph (j)), as shown by records maintained by the Contractor for the purpose of obtaining payment under Government contracts, plus

(ii) progress or financing payments to subcontractors (see paragraph (j) below), all less the sum of all previous progress payments made by the Government under this contract.

(iii) Cost of money is allowable subject to the requirements of clause 3.3.2-1, "FAA Cost Principles".

(2) The following conditions apply to the timing of including costs in progress payment requests:

(i) The costs of supplies and services purchased by the Contractor from subcontractors directly for this contract may be included whether or not actually paid.

(ii) Costs for the following may be included when incurred, even if before payment, when the Contractor is not delinquent in payment of the costs of contract performance in the ordinary course of business: In support of this, the Contractor shall include a certification in its request for progress payment indicating that it is not delinquent in payment of costs of contract performance in the ordinary course of business.

(A) Materials issued from the Contractor's stores and placed in the production process for use on this contract.

(B) Direct labor, direct travel, and other direct in-house costs.

(C) Properly allocable and allowable indirect costs.

(iii) Accrued costs of Contractor contributions under employee pension or other postretirement benefit, profit sharing, and stock ownership plans shall be excluded until actually paid unless---

(A) The Contractor's practice is to contribute to the plans quarterly or more frequently; and

(B) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contributions remaining unpaid shall be excluded from the Contractor's total costs for progress payments until paid).

(iv) If the contract is subject to the special transition method authorized in Cost Accounting Standard (CAS) 410, Allocation of Business Unit General and Administrative Expense to Final Cost Objective, General and Administrative expenses (G&A) shall not be included in progress payment requests until the suspense account prescribed in CAS 410 is less than--

(A) Five million dollars; or

(B) The value of the work-in-process inventories under contracts entered into after the suspense account was established (only a pro rata share of the G&A allocable to the excess of the inventory over the suspense account value is includable in progress payment requests under this contract).

(3) The Contractor shall not include the following in total costs for progress payment purposes in subparagraph (a)(1)(i) above:

(i) Costs that are not reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices.

(ii) Costs incurred by subcontractors or suppliers.

(iii) Costs ordinarily capitalized and subject to depreciation or amortization except for the properly depreciated or amortized portion of such costs.

(iv) Payments made or amounts payable to subcontractors or suppliers, except for--

(A) Completed work, including partial deliveries, to which the Contractor has acquired title; and

(B) Work under cost-reimbursement or time-and-material subcontracts to which the Contractor has acquired title.

(4) The amount of unliquidated progress payments may exceed neither (i) the progress payments made against incomplete work (including allowable unliquidated progress payments to subcontractors) nor (ii) the value, for progress payment purposes, of the incomplete work. Incomplete work shall be considered to be the supplies and services required by this contract, for which delivery and invoicing by the Contractor and acceptance by the Government are incomplete.

(5) The total amount of progress payments shall not exceed 80 percent of the total contract price.

(6) If a progress payment or the unliquidated progress payments exceed the amounts permitted by subparagraphs (a)(4) or (a)(5) above, the Contractor shall repay the amount of such excess to the Government on demand subject to [CO to insert appropriate interest rate] calculated from the time the excess payment was received by the contractor until such time as the reimbursement is received by the Government

(b) Liquidation. Except as provided in termination clauses of the contract, all progress payments shall be liquidated by deducting from any payment under this contract, other than advance or progress payments, the unliquidated progress payments, or 80 percent of the amount invoiced, whichever is less. The Contractor shall repay to the Government any amounts required by a retroactive price reduction, after computing liquidations and payments on past invoices at the reduced prices and adjusting the unliquidated progress payments accordingly. The Government reserves the right to unilaterally change from the ordinary liquidation rate to an alternate rate when deemed appropriate for proper contract financing.

(c) Reduction or suspension. The Contracting Officer may reduce or suspend progress payments, increase the rate of liquidation, or take a combination of these actions, after finding on substantial evidence any of the following conditions:

(1) The Contractor failed to comply with any material requirement of this contract (which includes paragraphs (f) and (g) below).

(2) Performance of this contract is endangered by the Contractor's (i) failure to make progress or (ii) unsatisfactory financial condition.

(3) Inventory allocated to this contract substantially exceeds reasonable requirements.

(4) The Contractor is delinquent in payment of the costs of performing this contract in the ordinary course of business.

(5) The unliquidated progress payments exceed the fair value of the work accomplished on the undelivered portion of this contract.

(6) The Contractor is realizing less profit than that reflected in the establishment of any alternate liquidation rate in paragraph (b) above, and that rate is less than the progress payment rate stated in subparagraph (a)(1) above.

(d) Title.

(1) Title to the property described in this paragraph (d) shall vest in the Government. Vestiture shall be immediately upon the date of this contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this contract.

(2) Property, as used in this clause, includes all of the below-described items acquired or produced by the Contractor that are or should be allocable or properly chargeable to this contract under sound and generally accepted accounting principles and practices.

(i) Parts, materials, inventories, and work in process;

(ii) Special tooling and special test equipment to which the Government is to acquire title under any other clause of this contract;

(iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other similar manufacturing aids, title to which would not be obtained as special tooling under subparagraph (ii) above; and

(iv) Drawings and technical data, to the extent the Contractor or subcontractors are required to deliver them to the Government by other clauses of this contract.

(3) Although title to property is in the Government under this clause, other applicable clauses of this contract; e.g., the termination or special tooling clauses, shall determine the handling and disposition of the property.

(4) The Contractor may sell any scrap resulting from production under this contract without requesting the Contracting Officer's approval, but the proceeds shall be credited against the costs of performance.

(5) To acquire for its own use or dispose of property to which title is vested in the Government under this clause, the Contractor must obtain the Contracting Officer's advance approval of the action and the terms. The Contractor shall (i) exclude the allocable costs of the property from the costs of contract performance, and (ii) repay to the Government any amount of unliquidated progress payments allocable to the property. Repayment may be by cash or credit memorandum.

(6) When the Contractor completes all of the obligations under this contract, including liquidation of all progress payments, title shall vest in the Contractor for all property (or the proceeds thereof) not-

(i) Delivered to, and accepted by, the Government under this contract; or

(ii) Incorporated in supplies delivered to, and accepted by, the Government under this contract and to which title is vested in the Government under this clause.

(7) The terms of this contract concerning liability for Government-furnished property shall not apply to property to which the Government acquired title solely under this clause.

(e) Risk of loss. Before delivery to and acceptance by the Government, the Contractor shall bear the risk of loss for property, the title to which vests in the Government under this clause, except to the extent the Government expressly assumes the risk. The Contractor shall repay the Government an amount equal to the unliquidated progress payments that are based on costs allocable to property that is damaged, lost, stolen, or destroyed.

(f) Control of costs and property. The Contractor shall maintain an accounting system and controls adequate for the proper administration of this clause.

(g) Reports and access to records. The Contractor shall promptly furnish reports, certificates, financial statements, and other pertinent information reasonably requested by the Contracting Officer for the administration of this clause. Also, the Contractor shall give the Government reasonable opportunity to examine and verify the Contractor's books, records, and accounts.

(h) Special terms regarding default. If this contract is terminated under the contract default clause,

(1) The Contractor shall, on demand, repay to the Government the amount of unliquidated progress payments and

(2) Title shall vest in the Contractor, on full liquidation of progress payments, for all property for which the Government elects not to require delivery under the contract default clause. The Government shall be liable for no payment except as provided by the contract default clause.

(i) Reservations of rights.

(1) No payment or vesting of title under this clause shall

(i) excuse the Contractor from performance of obligations under this contract or

(ii) constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Government's rights and remedies under this clause

(i) shall not be exclusive but rather shall be in addition to any other rights and remedies provided by law or this contract and

(ii) shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

(j) Finance payments to subcontractors. The amounts mentioned in (a)(1)(ii) above shall be all financing payments to subcontractors or divisions, if the following conditions are met:

(1) The amounts included are limited to (i) the unliquidated remainder of progress payments made plus (ii) for small business concerns any unpaid subcontractor requests for progress payments that the Contractor has approved for current payment in the ordinary course of business.

(2) The subcontract or interdivisional order is expected to involve a minimum of approximately 6 months between the beginning of work and the first delivery, or, if the subcontractor is a small business concern, 4 months.

(3) If the financing payments are in the form of progress payments, the terms of the subcontract or interdivisional order concerning progress payments--

(i) Are substantially similar to the terms of this clause at 3.3.1-31, Progress Payments, for any subcontractor that is a large business concern;

(ii) Are at least as favorable to the Government as the terms of this clause;

(iii) Are not more favorable to the subcontractor or division than the terms of this clause are to the Contractor;

(iv) Shall indicate that the Contractor, and not the Government, awards the subcontract and administers the progress payments. (v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government for valid reasons not limited to (A) default of the Contractor, or (B) bankruptcy or or insolvency of the subcontractor.

(4) If the financing payments are in the form of performance-based payments, the terms of the subcontract or interdivisional order concerning payments--

(i) Are substantially similar to clause 3.3.1-32 -Performance-Based Payments;

(ii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government for valid reasons, not limited to --

(A) the default of the Contractor; or

(B) The bankruptcy or insolvency of the subcontractor.

(5) If the financing payments are in the form of commercial item financing payments, the subcontract or interdivisional order concerning payments subordinates all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if--

(i) The Contractor defaults; or

(ii) The subcontractor becomes bankrupt or insolvent.

(6) The progress payment rate in the subcontract is 80% unless the subcontractor specifies a lesser amount. If the subcontractor is a small business concern, the progress payment rate may be up to 85%.

(7) The parties agree concerning any proceeds received by the Government for property to which title has vested in the Government under the subcontract terms, that the proceeds shall be applied to reducing any unliquidated progress payments by the Government to the Contractor under this contract.

(8) If no unliquidated progress payments to the Contractor remain, but there are unliquidated progress payments that the Contractor has made to any subcontractor, the Contractor shall be subrogated to all the rights the Government obtained through the terms

required by this clause to be in any subcontract, as if all such rights had been assigned and transferred to the Contractor.

(9) The Contractor shall pay the subcontractor's progress payment request under subdivision (j)(1)(ii) above, within a reasonable time after receiving the Government progress payment covering those amounts.

(10) To facilitate small business participation in subcontracting under this contract, the Contractor agrees to provide progress payments to small business concerns of up to 85%. The Contractor further agrees that the need for such progress payments shall not be considered as a handicap or adverse factor in the award of subcontracts.

(k) Limitations on Undefined Contract Actions.

Notwithstanding any other progress payment provisions in this contract, progress payments may not exceed 80 percent of costs incurred on work accomplished under undefined contract actions. A contract action is any action resulting in a contract, including contract modifications for additional supplies or services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is definitized. Costs incurred which are subject to this limitation shall be segregated on Contractor progress payment requests and invoices from those costs eligible for higher progress payment rates. For purposes of progress payment liquidation, as described in paragraph (b) of this clause, progress payments for undefined contract actions shall be liquidated at 80 percent of the amount invoiced for work performed under the undefined contract action as long as the contract action remains undefined. The amount of unliquidated progress payments for undefined contract actions shall not exceed 80 percent of the maximum liability of the Government under the undefined contract action or such lower limit specified elsewhere in the contract. Separate limits may be specified for separate actions.

(End of clause)